

Message Text

LIMITED OFFICIAL USE

PAGE 01 LUXEMB 00280 141012 Z

20

ACTION SEC-03

INFO OCT-01 EUR-25 ADP-00 EB-11 TRSE-00 CIAE-00 INR-10

NSAE-00 RSC-01 RSR-01 /052 W

----- 071020

R 140900 Z APR 73

FM AMEMBASSY LUXEMBOURG

TO SECSTATE WASHDC 3314

LIMITED OFFICIAL USE LUXEMBOURG 280

FOR SEC

E. O. 11652 N/ A

TAGS: EFIN LU

SUBJECT: IOS ET AL

1. OFFICE OF GOL BANK COMMISSIONER HAS REQUESTED EMBASSY TO
TRANSMIT
FOLLOWING MESSAGE TO SPORKIN OR POLLACK.

SEC. QUOTE:

" IN THE ABSENCE OF MR. ALBERT DONDELINGER, WE BEG TO
INFORM YOU THAT BAHAMAS COMMONWEALTH BANK LIMITED (' BCB'),
THE 5 IOS DOLLAR FUNDS (' THE FUNDS') AND OVERSEAS DEVELOP-
MENT BANK OF LUXEMBOURG S. A. (' ODB LUX') HAVE AGREED UPON THE
TERMS OF A SETTLEMENT UNDER WHICH ALL MONIES BELONGING TO
THE FUNDS WILL RETURN TO LUXEMBOURG.

TWO BASIC AGREEMENTS WILL PROVIDE FOR THE RETURN
OF THESE MONIES FOR THEIR PLACEMENT WITH AND MANAGEMENT BY
A LUXEMBOURG BANK, WHICH WILL IN ALL RESPECT BE INDEPENDENT
FROM THE IOS GROUP.

WE HAVE LEARNT THAT THE BAHAMIAN AGREEMENT HAS BEEN
SUBMITTED ON APRIL 12, 1973 TO THE SUPREME COURT OF THE BAHAMA-
S FOR ISSUE BY THIS COURT OF A CONSENT ORDER EMBODYING
FINALLY THE TERMS OF THIS AGREEMENT.

SECONDLY, AN AGREEMENT (' LUXEMBOURG AGREEMENT') BET-
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 LUXEMB 00280 141012 Z

WEEN ODB LUX, THE FUNDS AND COMPAGNIE LUXEMBOURGEOISE DE BANQUE S. A. ('CLB'), WHEREBY CLB WILL ACT AS AGENT FOR ODB LUX AND THE FUNDS IN MANAGING ALL SUMS TO BE RETURNED BY BCB AND ALL OTHER MONIES BELONGING TO THE FUNDS. THE LUXEMBOURG BANKING COMMISSION WILL BE A PARTY TO THIS AGREEMENT, WHICH SHOULD BE SIGNED BY ALL THE PARTIES ON APRIL 19, 1973.

IT SHOULD BE NOTED THAT UNDER THE TERMS OF THE LUXEMBOURG AGREEMENT, ODB LUX AND THE FUNDS WILL BE PREVENTED FOR AT LEAST FIVE YEARS, FROM DISPOSING OF AND MANAGING THE MONIES BELONGING TO THE FUNDS.

CLB, WHICH IS THE MOST IMPORTANT (IN TERMS OF CAPITAL) PRIVATED BANK ESTABLISHED IN LUXEMBOURG, OPERATES UNDER THE SUPERVISION OF THE LUXEMBOURG BANKING COMMISSIONER. IT WAS INCORPORATED IN LUXEMBOURG ON APRIL 11, 1967 AS A SOCIETE ANONYME UNDER THE LAWS OF THE GRAND- DUCHY OF LUXEMBOURG. THE CAPITAL OF CLB AMOUNTS TO 900 MIO LUX FRANCS, WHERE- AS THE TOTAL RESERVES AND TOTAL ASSETS EQUAL, AS PER FEBRUARY 28, 1973, 411,5 MIO RESP. 47.464,5 MIO LUX FRANCS.

CLB IS A WHOLLY- OWNED SUBSIDIARY OF DRESDNER BANK A. G., FRANKFURT/ MAIN, ONE OF THE MOST IMPORTANT GERMAN BANKS.

HEREAFTER, PLEASE FIND THE TEXT OF THE ORDER ISSUED BY THE SUPREME COURT OF THE BAHAMAS AND THE TEXT OF BOTH THE BAHAMIAN AND LUXEMBOURG AGREEMENTS.

WE UNDERSTAND THAT THESE AGREEMENTS ARE IN BROAD LINES CONSISTENT WITH THE SETTLEMENT OUTLINED IN THE LETTER YOU SENT ON MARCH 29, 1973 TO MR. DONDELINGER, FOLLOWING THE DISCUSSIONS YOU HAD WITH MR. DONDELINGER DURING HIS RECENT STAY IN WASHINGTON". END QUOTE.

2. EMBASSY IS SENDING BY POUCH TEXT OF ORDER ISSUED BY SUPREME COURT OF THE BAHAMAS. GALANTO

LIMITED OFFICIAL USE

*** Current Handling Restrictions *** n/a

*** Current Classification *** LIMITED OFFICIAL USE

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 14 APR 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: cunninfx
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973LUXEMB00280
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: n/a
Errors: n/a
Film Number: n/a
From: LUXEMBOURG
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t19730443/aaaaipct.tel
Line Count: 104
Locator: TEXT ON-LINE
Office: ACTION SEC
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: cunninfx
Review Comment: n/a
Review Content Flags:
Review Date: 18 SEP 2001
Review Event:
Review Exemptions: n/a
Review History: RELEASED <18-Sep-2001 by smithrj>; APPROVED <01-Oct-2001 by cunninfx>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: <DBA CORRECTED> srp 980120
Subject: IOS ET AL
TAGS: EFIN, LU
To: SEC
SECSTATE WASHDC
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005